

**CITY OF SEATTLE**  
**ORDINANCE** \_\_\_\_\_  
**COUNCIL BILL** \_\_\_\_\_

AN ORDINANCE relating to the Seattle Department of Transportation; authorizing the Director of the Seattle Department of Transportation, on behalf of the City of Seattle, to execute an assignment, assumption, and consent agreement with the Seattle Steam Limited Partnership, Seattle Community Energy, LLC, and BIF II District Energy Holdings III LC regarding the transfer of the Seattle Steam Franchise authorized under Ordinance 121067, as amended by Ordinance 122260, to BIF II District Energy Holdings III LLC.

WHEREAS, the Seattle Steam Company has operated a district thermal energy system in Seattle since 1893, currently serving approximately 200 properties in Seattle; and

WHEREAS, by Ordinance 121067, permission was granted for Seattle Steam Limited Partnership, its successors and assigns, to lay down, replace, renew, maintain, and operate pipes, conduits, and other necessary appurtenances in and along any and all of the streets, avenues, alleys and other public places within a defined portion of the City of Seattle for purposes of transmitting, selling, and delivering thermal energy until 2052; and

WHEREAS, BIF II District Energy Holdings III (~~Delaware~~) LLC, an affiliate of Brookfield Asset Management Inc., has offered to acquire Seattle Steam Company on September 31st; and

WHEREAS, Brookfield Asset Management Inc. is a global alternative asset manager with over \$180 billion in assets under management; and

WHEREAS, Brookfield Asset Management Inc. is a Toronto-based company with focus on producing carbon-free clean power through its renewable energy facilities and within its infrastructure group, owns three district energy systems in Toronto, Houston, and New Orleans; and

WHEREAS, BIF II District Energy Holdings III (~~Delaware~~) LLC would become the tenth ownership group in Seattle Steam's 121 years of operations; and

WHEREAS, BIF II District Energy Holdings III (~~Delaware~~) LLC and Brookfield Asset Management Inc. are committed to renewable district energy in Seattle and helping Seattle achieve the city's carbon reduction goals; and

WHEREAS, Section 9 of Ordinance 121067, as amended by Ordinance 122260, requires the consent of the City Council for any assignment or transfer of franchise privileges; and

1 WHEREAS, Section 9 of Ordinance 121067 also provides that if permission is granted by  
2 Council, the assignee or transferee shall be bound by all terms and conditions of the  
3 ordinance; and

4 WHEREAS, Seattle Steam Limited Partnership has satisfied all terms of the original authorizing  
5 ordinance and the Director of the Seattle Department of Transportation recommends that  
6 the franchise agreement be transferred to BIF II District Energy III (Delaware) LLC  
7 subject to the terms identified in this ordinance, NOW, THEREFORE

8 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

9 Section 1. The Director of the Seattle Department of Transportation (“Director”), or the  
10 Director’s designee, is hereby authorized to execute, for and on behalf of the City, an  
11 assignment, assumption, and consent agreement (“Agreement”), attached hereto as Attachment  
12 A.

13 Section 2. Upon execution of the Agreement, the permissions granted under Ordinance  
14 121067, as amended by Ordinance 122260, shall be transferred from Seattle Steam Limited  
15 Partnership to BIF II District Energy Holdings III (Delaware) LLC.

16 Section 3. Any act pursuant to the authority of this ordinance taken after the passage of  
17 this ordinance but before its effective date is hereby ratified and confirmed.  
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1           Section 4. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4           Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2014, and  
5 signed by me in open session in authentication of its passage this  
6 \_\_\_\_ day of \_\_\_\_\_, 2014.

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8 \_\_\_\_\_  
9 President \_\_\_\_\_ of the City Council

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11           Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

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13 \_\_\_\_\_  
14 Edward B. Murray, Mayor

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16           Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2014.

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18 \_\_\_\_\_  
19 Monica Martinez Simmons, City Clerk

20 (Seal)

21  
22 Attachment A: Assignment, Assumption and Consent Agreement  
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